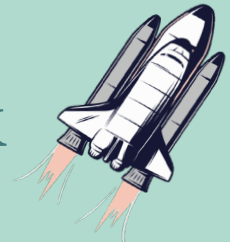


**COMPETITOOR** e-book



# Pricing Management in a Time of Unprecedented Inflation and Supply Chain Disruption

How Specialty Hard Goods Brands  
Can Navigate Today's Turbulent  
Retail Environment

Inflation rates are climbing at a record pace, rising to **7.9% in February 2022** – the fastest pace of annual inflation in 40 years. These rates have become a powerful force in influencing consumers' purchasing behavior. In fact, up to **95% of consumers** said they planned to change their shopping behavior if inflation continued.

The economic impact of inflation isn't expected to go away anytime soon. As **RSR says**, "Simply put, pricing is more important than ever for both sides of the retail transaction, especially in these inflationary times."

At the same time, brands are also still dealing with supply chain shortages and the growing cost of fuel and raw materials. The compounding effects from the pandemic, the Suez Canal blockage and other factors have battered the economy. According to *The New York Times*, "Many months, and perhaps years, are likely to transpire before the chaos subsides."

These external circumstances are changing day-by-day. With consumer price sensitivity remaining a top business challenge, brands must be prepared for constant market shifts. Investing and deploying effective pricing strategies will be key.

To respond to these market changes, specialty hard goods brands, including DIY, electronics, sporting goods and furniture, need to prepare for the top pricing challenges and have the capabilities in place to implement a successful pricing strategy.

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# Why Price Intelligence is Key for Specialty Hard Goods

Especially in inflationary times, specialty hard goods brands must focus on creating pricing strategies that result in the best sales performance while also remaining competitive in a turbulent market.

Competitor is a leading provider of price intelligence and market intelligence solutions that have been embraced by specialty hard goods brands. We give brands around the world a competitive edge, allowing them to understand what products their distribution channels and competitors are selling, where they're selling, and for how much.

In this e-book, we will explore the top considerations for brands in specialty hard goods and how brands can navigate ongoing challenges, including:

- Monitoring in real-time the product price by shops/country
- Comparing brand's price with competitors' price for similar products by shop/country/category
- Examining discounts applied by shops on the brands' and competitors' product

## Top Three Pricing Considerations for Brands in Specialty Hard Goods

### *1. Monitoring in real-time the product price by shops and country*

It's more important than ever for brands to gain insights and monitor in real-time the product price by shops and country. Consumers' dollars are stretched, and they are hyper-aware of what products are sold and for what price.

All of this speaks to the need for AI-powered, data-driven intelligence, and the more real time that data is, the better. Equipped with the right data, brands can see how authorized and unauthorized sellers and retailers are performing. From there, they can work with distributors to optimize their prices, adjusting for specific categories, markets or time frames. They can also measure price sensitivity or elasticity, controlling distribution channels as needed.

Competitor's price and market intelligence platform monitors 50,000,000+ products daily across 450,000 e-commerce and marketplace sites with 98.7% accuracy. We help brands run a profitability analysis and determine the monetary returns of different price points. As well, we can align the finding with buyer personas and segments within the specialty hard goods category to generate deeper insights.

## *2. Comparing brand's price with competitors' price for similar products by shop/country/category*

Brands must be able to monitor pricing for identical or similar products from competitors and wholesalers worldwide. By tracking competitor and market-wide pricing trends, brands can adjust product prices by using dynamic pricing techniques. They can also analyze if and why competitor prices are performing better and gain actionable recommendations.

As well, brands can gain visibility into retailers' private label offerings and strategies, gaining valuable insight that can help them continually adjust their product lineup to stay competitive.

With Competitoor, brands have access to competing product analysis, where they can track competitor and market-wide pricing trends in order to adjust product prices, by using dynamic pricing techniques. Brands can analyze if and why competitor prices are performing better and gain actionable recommendations.

Competitoor also provides brands benchmarking tracking and analysis tools, allowing them to compare product catalog with competitors and identify strengths and weaknesses, threats and opportunities. Competitoor's AI engine helps brands quickly understand like and similar items based on descriptions, graphics and colors, rather than relying on SKU or UPC numbers or basic product descriptions that can vary widely from one site to the next.

### *3. Monitoring discounts applied by shops on your brands' and competitors' product*

According to RSR, **67% of specialty hard goods brands** find promotional pricing and markdown pricing the most time-consuming to maintain. This number speaks to the challenges that businesses face when it comes to discounting.

Brands that are evaluating discounting strategies should ask themselves the following questions:

- Is my brand value impacted by partner e-tailers discounting locally/globally?

- How does my discounting strategy compare to my competitors over time?

Even with inflation, relying too heavily on discounts to entice consumers can actually hurt the brand's image and bottom line. Finding the right price based on data will eliminate the guesswork and save money.

Minimum advertised prices (MAP) protection is necessary to protect price integrity, identify unauthorized sellers and channels and increase online market share. In addition to MAP protection, Competitor also provides a dynamic pricing solution to optimize brands' pricing strategy and maximize sales and margins with AI algorithms to determine the best discounting strategy.

### Competitor's Price Intelligence Platform Helps Bricoman Italia Define the Brand Value and Exceed Customer Expectations

Founded in 2008, Bricoman Italia is a retailer focused on the sale of technical products for construction and renovation projects. As a specialty hard good brand, its formula is designed and structured to offer professionals and small businesses a modern distribution model that is available to the general public. Bricoman has over 25,000 technical products in its database, including items in plumbing, electricity, construction, carpentry, sanitary ware, tiles, hardware, tools and paint.

#### The Challenge: Keeping up with Consumer Expectations

Bricoman Italia looked for a solution to monitor the market and understand how various wholesalers position and price similar products worldwide. To keep up with customer expectations, Bricoman Italia required a solution that could provide strong price visibility, an immediate perception of the offer and great clarity in the description of the product.

#### The Solution: Price and Market Intelligence Solutions From Competitor

Bricoman turned to Competitor, the leader in price and market intelligence

solutions, to monitor both identical and similar products in the building materials industry. Competitor's ability to collect, monitor, and analyze price and competitor data around the world made it possible for Bricoman to transform data into information and actions, creating measurable competitive advantages.

## The Results: Reduction of Costs and Increase in Informed Decisions

Competitor gives Bricoman Italia a significant competitive advantage. Key benefits include:

- Reduction of costs for data collection and transformation
- Higher data quality (98.7% accuracy)
- Ability to monitor competitors and distributors and make informed decisions about price positioning
- Increase in margin and revenue

“Thanks to Competitor, we can monitor the markets and competitors for both similar and identical products by reducing the costs for data acquisition, increasing its quality and above all its usability. We have not only acquired a great service, but also have a proactive partner who can understand the market and adapt quickly.”

Federico Stecchi, Sales and Marketing Director



# Competitoor Provides Price Intelligence in Turbulent Times

The impact of a global pandemic, rampant inflation and continuing supply chain disruptions have tested brands in unprecedented ways, and many challenges remain ahead. Understanding your competitors' pricing and production strategies, and how your assortments perform across every channel, is essential for success.

That's why more than 100 retailers and brands worldwide depend on Competitoor daily to enable AI-driven, intelligent pricing and assortment decisions. Our AI algorithms, semantic and image identification technology, combined with machine learning and deep learning, transform data into information and actions, giving you the information you need to compete and win.

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